



TIMELY FILING -- DEFAULT CLAIMS

A default claim must be submitted within 60 days after default in order to continue to be eligible for special allowance. In order to retain insurance, a lender must file a default claim within 90 days of default.

✎ **Higher Education Amendments of 1998** -- For loans on which the first day of delinquency on the oldest outstanding due date is on or after October 7, 1998 (due date October 6, 1998), the date of default is the 270th day of delinquency.

The following table illustrates timely filing deadlines for loans that default at the 180th day of delinquency and loans that default at the 270th day.

	LOANS THAT DEFAULT AT THE 180TH DAY OF DELINQUENCY	LOANS THAT DEFAULT AT THE 270TH DAY OF DELINQUENCY
	FILE BY	FILE BY
TO RETAIN SPECIAL ALLOWANCE	240*	330*
TO RETAIN INSURANCE	270*	360*

* To determine compliance, five days will be allowed for mailing time in all cases.

The lender's filing date is the date the Missouri Student Loan Program's (MSLP) servicer, Guarantec, receives the claim. A cure is required in order for the guarantee to be reinstated if a claim is rejected for a timely-filing violation (i.e., the claim is received by the MSLP's servicer after the 275th day of delinquency for loans that default at day 180 or the 365th day of delinquency for loans that default at day 270).

Refiling Deadlines

	CLAIMS RETURNED FOR INADEQUATE DOCUMENTATION	CLAIMS RETURNED FOR MATHEMATICAL ERRORS
TO RETAIN INTEREST THROUGH CLAIM PAID DATE	30 days after the lender's receipt of the returned claim	60 days after the lender's receipt of the returned claim*
TO RETAIN INSURANCE	60 days after the lender's receipt of the returned claim	60 days after the lender's receipt of the returned claim

* Effective for claims originally filed by the lender on or after March 1, 2000 (the implementation date of the Common Claims Initiative (CCI) supplemental claim policies), the lender must refile a returned claim within 30 days of the lender's receipt of the returned claim in order to retain interest through the claim paid date in all cases. The CCI supplemental claim policies clarify a method to address errors made on the original claim form, through the submission of a supplemental claim.

INTEREST PAID ON DEFAULT CLAIMS RETURNED FOR INADEQUATE DOCUMENTATION

Interest will be paid through the claim paid date, assuming no other due diligence violations exist, when:

- A lender files a default claim within 90 days of the date of default
- A lender refiles a claim (returned for inadequate documentation) with all required documentation by the 30th day after the lender first receives the returned claim.

Claim filed with no interest limitations, no returns.

Interest is paid straight through to the claim-paid date.

Example

Claim filed:	07/01/96
Claim-paid date:	08/25/96
Interest paid:	Accrued interest prior to 07/01/96 plus interest accrued from 07/01/95-08/25/96.

Claim filed with 1-2 violations.

No interest is paid beyond the end date (default date, default date minus 90 for one violation or default date minus 180 for two violations). This means the lender is not paid for the days required by the Missouri Student Loan Program (MSLP) to pay or return the claim.

Example

Claim filed:	07/01/96
Default date:	06/14/96
Claim-paid date:	08/25/96
Interest paid:	Claim has one omitted due diligence attempt, so interest is limited to default date minus 90 days (03/16/96.)

Claim filed and returned for inadequate documentation, lender resubmits with all required documentation no later than 30th day following the date the returned claim was received by the lender.

Interest is paid straight through to the claim-paid date.

Example

Claim filed:	07/01/96
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Claim returned:	07/21/96
Claim resubmitted:	08/10/96
Claim-paid date:	09/08/96
Interest paid:	Accrued interest prior to 07/01/96 plus interest accrued from 07/01/96-09/08/96. Interest from 08/31/96-09/08/96 is not paid.

Claim filed and returned, lender resubmits claim after the 30th day following the date the returned claim was received by the lender.

Example 1

Claim filed:	07/01/96
Returned claim received:	07/21/96
Claim resubmitted:	08/24/96
Claim-paid date:	09/29/96
Interest paid:	Accrued interest from prior to 07/01/96 plus interest accrued from 07/01/96 through 08/20/96. Interest from 08/21/96 through 09/29/96 is not paid.

Example 2

Claim filed:	07/01/96
Returned claim received:	08/01/96
Claim resubmitted:	09/02/96
Claim-paid date:	10/06/96
Interest paid:	Accrued interest from prior to 07/01/96 plus interest accrued from 07/01/96 through 08/30/96. Interest from 08/31/96 through 10/06/96 is not paid.

If a claim is resubmitted more than 60 days after the lender's receipt of the returned claim, the claim is rejected for untimely filing.

Claim is filed and returned multiple times.

No interest is paid beyond the 30th day following the date the lender first received the returned claim. This is based on 34 CFR 682.406(a)(6), which states the lender must resubmit the claim **with all required documentation** by the 30th day.

Supplemental Claims

A supplemental claim may be submitted if the difference between the amount paid on a claim and the amount the lender has calculated exceeds \$25. The MSLP Request of Payment of Supplemental Claim Form should be completed when filing a supplemental claim. A supplemental claim must be filed within 90 days of the original claim-paid date.

ELIGIBILITY REINSTATEMENT FOR BORROWERS IN DEFAULT

1. Federal regulations clarify eligibility reinstatement for borrowers who are in default.

➔ A student who is in default on a Title IV loan may regain eligibility by:

1. Repaying the loan in full

OR

2. Making satisfactory repayment arrangements with the holder. As part of those arrangements, the borrower must make six, reasonable and affordable, consecutive, voluntary, full, on-time monthly payments (wage garnishment and lump sum payments do not qualify). On time payments are defined as received within 15 days of the due date.

➔ Reinstatement of Title IV financial aid may only be granted ONCE to regain financial aid eligibility. If a payment is missed or received outside the 15-day window after receiving Title IV reinstatement, the borrower will not receive continued reinstatement and will not be able to receive further financial aid until the account is rehabilitated or paid in full.

➔ Missouri Student Loan Program Title IV reinstatement requests must be received in writing from the borrower.

PROCEDURES FOR DEATH CLAIMS

On all loans for which a death certificate is received, stop collection efforts and file a claim. If a certified copy of the death certificate is not received, but the lender has been instructed that the borrower is deceased, cease due diligence until proper notification is received. If the certificate is not received within 60 days, resume due diligence until the certificate is received. Interest paid on a death claim will be for up to 60 days after receipt of the death certificate.

Federal Parent Loans for Undergraduate Students (PLUS) loans may be canceled based on the death of the student for whom the loan was borrowed if the death occurred after July 23, 1992.

A death certificate for Missouri residents may be requested in writing from:

The Missouri Department of Health
Bureau of Vital Records
P.O. Box 570
Jefferson City, MO 65102-0570

The cost is \$10.00. The written request must include:

1. Borrowers Name
2. Social Security Number
3. Date and Place of Death
4. Relationship to Borrower (creditor)
5. Reason for Request (Borrower's outstanding debt)

PROCEDURES FOR PERMANENT AND TOTAL DISABILITY CLAIMS

In order to file a claim for disability, the lender must first receive a properly completed Total and Permanent Disability Cancellation Request including a physician's certification.

If written documentation from the borrower's physician states that additional time is needed to determine whether the borrower is totally and permanently disabled, the lender may cease due diligence activities. If the lender does not receive the physician's certification within 60 days of the initial letter, the lender must resume due diligence and shall be deemed to have exercised forbearance for the 60-day period following receipt of the letter from the physician.

Upon receipt of the physician's certification, file a claim with the Missouri Student Loan Program's (MSLP) servicer.

After being notified that the MSLP has paid a disability discharge claim, the lender will return to the sender any payments received after the borrower **became** totally and permanently disabled, as documented by the physician's certification. At the same time, the lender must notify the borrower that there is no longer an obligation to pay.

TOTAL AND PERMANENT DISABILITY CANCELLATION REQUEST

OMB No. 1840-0707
Form Approved
Exp. Date 01/31/2002

Federal Family Education Loan Program / William D. Ford Federal Direct Loan Program

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form shall be subject to penalties which may include fines, imprisonment or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

SECTION 1: BORROWER IDENTIFICATION

Please enter or correct the following information. If a correction, check this box: ☐

SSN --

Name

Address

City, State, Zip

Telephone - Home ()

Telephone - Other ()

SECTION 2: BORROWER CANCELLATION REQUEST

Instructions for Borrower: Before signing this form, carefully read the following page. A representative may sign this form on your behalf if you are unable to do so because of your disability. Have Section 3 completed and signed by a doctor of medicine or osteopathy. Return the completed form to the address shown in Section 6. **If the loans that you want to have canceled are held by more than one loan holder, you must submit a separate copy of this certified cancellation request to each holder. Each copy must contain original signatures from you (or your representative) and the physician who completes Section 3.**

Borrower Request, Authorizations, Understandings, and Certifications

I request that my loan holder cancel my William D. Ford Federal Direct Loan (Direct Loan) Program loans or my Federal Family Education Loan (FFEL) Program loans that are held by that loan holder. I certify that I am unable to work and earn money or go to school because of an illness or injury that is expected to continue indefinitely or result in death.

I authorize any physician, hospital, or other institution having records about the disability for which I am requesting a cancellation of loan payments to make information from these records available to the holder of my loan(s).

I understand that this cancellation request will not be granted unless (1) all applicable sections of this form are completed, and (2) all additional requested documentation is provided. I further understand that I must submit a separate cancellation request to each holder of the loans that I want to have canceled. If I am a veteran, I understand that the certification by a physician on this form is only for the purposes of establishing my eligibility to receive a cancellation of a Direct Loan Program or FFEL Program loan and is not for purposes of determining my eligibility for or the extent of my eligibility for Department of Veterans Affairs benefits.

I certify that I have read, understand, and meet the eligibility criteria in Section 4 for cancellation due to total and permanent disability.

Signature of Borrower or Borrower's Representative

Date

Name of Borrower's Representative (if applicable)

Address of Borrower's Representative

Representative's Relationship to Borrower

SECTION 3: PHYSICIAN'S CERTIFICATION

Instructions for Physician: The borrower identified above is applying for cancellation of his/her student loan obligation(s) based on total and permanent disability. You are being asked to complete this form to certify that the borrower is totally and permanently disabled. **NOTE: The standard for determining disability for cancellation of the borrower's loan obligation may be different from standards used under other public and private programs in connection with occupational disability or eligibility for social service benefits. Refer to the definition of Total and Permanent Disability in Section 4 on the following page.** You may complete and sign this form only if you are a doctor of medicine or osteopathy legally authorized to practice in a state. Provide all requested information; you may attach additional pages if necessary. Please type or print in dark ink. Sign the certification (a signature stamp is not acceptable) only if the borrower's condition meets the definition of Total and Permanent Disability in Section 4. Return the completed form to the borrower or the borrower's representative.

- When did the borrower's disabling condition begin? (MM-DD-YYYY) --
- The borrower became unable to work and earn money or go to school on (MM-DD-YYYY) -- and the disabling condition is expected to continue indefinitely or result in death.
- Diagnosis of borrower's present medical condition – specify the nature, duration and severity of the borrower's present and future impairments:

I certify that, in my best professional judgement, the borrower identified above is unable to work and earn money or go to school because of an injury or illness that is expected to continue indefinitely or result in death. I understand that any borrower able currently or in the future to work and earn money or go to school, even on a limited basis, is not considered to have a Total and Permanent Disability. I am a doctor of medicine or osteopathy legally authorized to practice in the state of .

Physician's signature

Name (printed)

Address

City, State, Zip

Telephone ()

SECTION 4: DEFINITIONS/ELIGIBILITY CRITERIA FOR TOTAL AND PERMANENT DISABILITY CANCELLATION

Definitions

- The **William D. Ford Federal Direct Loan (Direct Loan) Program** includes Federal Direct Stafford/Ford Loans, Federal Direct Unsubsidized Stafford/Ford Loans, Federal Direct PLUS Loans, and Federal Direct Consolidation Loans.
- The **Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans, Federal Supplemental Loans for Students (SLS), Federal PLUS Loans, and Federal Consolidation Loans.
- The **holder** of a borrower's Direct Loan Program loan(s) is the U.S. Department of Education (ED). The holder of a borrower's FFEL Program loan(s) may be a lender, a guaranty agency, or ED.
- **Cancellation** due to a total and permanent disability condition cancels a borrower's obligation to repay the remaining outstanding principal and accrued interest on a Direct Loan Program and/or FFEL Program loan.
- **Total and Permanent Disability** means that a borrower must be unable to work and earn money or go to school because of an injury or illness that is expected to continue indefinitely or result in death. NOTE: This standard may be different from standards used under other private and public programs in connection with occupational disability or eligibility for social service benefits.

Borrower Eligibility Criteria

- You must be unable to work and earn money or go to school because of an injury or illness that is expected to continue indefinitely or result in death. If you are able—currently or in the future—to work and earn money or go to school, even on a limited basis, you are not eligible for a loan cancellation based on Total and Permanent Disability.
- Your cancellation may not be based on a condition that existed at the time you applied for your loan(s) unless the condition has since substantially deteriorated so that you are now totally and permanently disabled.
- For Consolidation Loans, your condition may not have existed before you applied for each of the loans which were consolidated, unless your condition has since substantially deteriorated so that you are now totally and permanently disabled. You must provide to the holder of your loan(s) the disbursement dates of the underlying loans if the condition did exist prior to the date the underlying loans were made.
- If you are granted a cancellation due to total and permanent disability, you are not eligible for future student loans unless you (1) obtain a certification from a physician that you are able to engage in substantial gainful activity, and (2) acknowledge in writing that the new loan cannot be canceled on the basis of any condition present when the loan is made, unless that condition substantially deteriorates.

SECTION 5: IMPORTANT NOTICES

Privacy Act Disclosure Notice

The Privacy Act of 1974 (5 U.S.C. 552a) requires that we disclose to you the following information:

The authorities for collecting this information are §451 et seq. and §421 et seq. of the Higher Education Act of 1965, as amended (the HEA) (20 U.S.C. §1087a et seq. and 20 U.S.C. §1071 to 1087-2). The principal purpose for collecting this information is to determine whether you are eligible for a cancellation of your loan(s) under the William D. Ford Federal Direct Loan (Direct Loan) Program and/or the Federal Family Education Loan (FFEL) Program.

We ask that you provide the information requested on this cancellation form on a voluntary basis. However, you must provide all of the requested information so that the holder(s) of your loan(s) can determine whether you qualify for a cancellation.

The information in your file may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called "Title IV Program Files" (originally published on April 12, 1994, Federal Register, Vol. 59, p. 17351) and "National Student Loan Data System" (originally published on December 20, 1994, Federal Register, Vol. 59, p. 65532). Thus, this information may be disclosed to parties that we authorize to assist us in administering the Federal student aid programs, including contractors that are required to maintain safeguards under the Privacy Act. Disclosures may also be made for verification of information, determination of eligibility, enforcement of conditions of the loan or grant, debt collection, and the prevention of fraud, waste, and abuse and these disclosures may be made through computer matching programs with other Federal agencies. Disclosures may be made to determine the feasibility of entering into computer matching agreements. We may send information to members of Congress if you ask them in writing to help you with Federal student aid questions. If we are involved in litigation, we may send information to the Department of Justice (DOJ), a court, adjudicative body, counsel, or witness if the disclosure is related to financial aid and certain other conditions are met. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for consideration of action and we may disclose to DOJ to get its advice related to the Title IV, HEA programs or questions under the Freedom of Information Act. Disclosures may be made to qualified researchers under Privacy Act safeguards. In some circumstances involving employment decisions, grievances, or complaints or involving decisions regarding the letting of a contract or making of a grant, license, or other benefit, we may send information to an appropriate authority. In limited circumstances, we may disclose to a Federal labor organization recognized under 5 U.S.C. Chapter 71.

Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but section 484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) provides that, in order to receive any grant, loan, or work assistance under Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.

Paperwork Reduction Notice

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1840-0707. The time required to complete this information collection is estimated to average 0.5 hours (30 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, DC 20202-4651

If you have any comments or concerns regarding the status of your individual submission of this form, write directly to the address shown below.

SECTION 6: WHERE TO RETURN THE COMPLETED LOAN CANCELLATION REQUEST:

RETURN THE COMPLETED LOAN CANCELLATION REQUEST AND ANY ATTACHMENTS TO:
(IF NO ADDRESS IS SHOWN, RETURN TO YOUR LOAN HOLDER)

IF YOU NEED HELP COMPLETING THIS FORM,
CALL:

CLOSED SCHOOL CLAIMS

The closed school regulations relieve a borrower of the obligation to repay Federal Family Education Loan (FFEL) Program loans that were received (in all or part) on or after January 1, 1986.

QUALIFICATIONS FOR DISCHARGE:

- 1) Borrower was unable to complete the program of study because the school closed. (Neither completed nor is in the process of completing the program of study for which the loan was intended through a teach-out or transferring credits or hours.)
- 2) Borrower withdrew within 90 days of the school's closing
- 3) Each loan obtained on or after January 1, 1986 by the borrower while attending that institution is eligible for discharge
- 4) Uninsured loans are eligible for discharge

PROCEDURES:

- 1) MSLP will identify borrowers affected by school's closing and notify appropriate lending institutions
- 2) Lender must send the Loan Discharge Application: School Closure and discharge information to the borrower within 45 days of receiving notice from the Missouri Student Loan Program (MSLP). (See the Appendix section for a sample of this form.)
- 3) Lender should immediately stop collection activity for loans in repayment that were received for attendance at a closed school. An administrative forbearance should be applied for up to 60 days from the date the lender sent the discharge application to the borrower
- 4) After receiving the borrower's completed discharge application, the lender must file a closed school claim within 60 days. No due diligence is required during this time period
- 5) Documentation required for a closed school claim is:

Loans with outstanding balance

- ✓ Claim Form
- ✓ Original Loan Discharge Application: School Closure
- ✓ Original Promissory Note assigned to the MSLP
- ✓ Summary of payments

Loans paid in full by the borrower

- ✓ Include all of the above in the claim file except for the promissory note (this is not required).

FALSE CERTIFICATION CLAIM

Ability to Benefit

A borrower may be eligible for loan discharge if, at the time the student enrolls, the school fails to determine or improperly determines a student's ability to benefit from the training offered for a student that does not have a high school diploma or General Education Development (GED) Certificate. The procedures a school must follow in determining ability to benefit are dependent on the time frame in which the student's loan period falls. From July 23, 1992 to the present, the student must achieve a score specified by the U. S. Department of Education (USDE) on an independently administered ability-to-benefit test that is approved by the USDE, or must be considered to have the ability to benefit from the training offered in accordance with a process prescribed by the state in which the school is located. At the present time, Missouri does not have such a process. The student must certify that he or she did not have a high school diploma or GED at the time of enrollment, and did not take or failed to pass an ability-to-benefit test.

Disqualifying Status

A borrower may be eligible for loan discharge if he or she did not meet the state's legal requirements for employment in the field of training. Conditions that might prohibit employment include age, a physical or mental condition, or a criminal record. The student must certify the condition existed at the time of enrollment and that the school was made aware of the disqualifying condition.

Unauthorized Signature/Unauthorized Payment

A borrower may be eligible for loan discharge if the school signs the borrower's name on the loan application or promissory note, the loan check, or the EFT/master check authorization without obtaining the borrower's permission. The borrower must certify that the signature has been forged and must submit five samples of the real signature. (One signature is provided on the discharge application). Two of the signature samples must be dated not more than one year before or one year after the date of the contested signature. In addition, if the borrower did not sign the loan check or EFT/master check authorization, the borrower must certify that the signature is not valid and that the school was not authorized to sign the document(s).

If the lender is the holder of the loan (the loan is not in default), the lender must determine if the false certification claim by collecting a completed loan discharge application (and all required supporting documentation) from the borrower. If the lender determines the borrower's claim is valid, a false certification claim should be filed with the MSLP.

1. The lender should suspend collection activity upon receipt of the borrower's discharge application.
2. Within 30 days of being contacted, advise the borrower of the procedures and documentation necessary.

LOAN DISCHARGE APPLICATION: FALSE CERTIFICATION OF ABILITY TO BENEFIT

OMB No. 1840-0707
Form Approved
Exp. Date 01/31/2002

Federal Family Education Loan Program / William D. Ford Federal Direct Loan Program

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying documents shall be subject to penalties which may include fines, imprisonment or both, under the U.S. Criminal Code and 20 U.S.C. 1097

SECTION 1: BORROWER IDENTIFICATION

If information has been preprinted but is incorrect, please correct and check this box: ☐ If any of the items below were not preprinted, please provide the requested information.

SSN --

Name

Address

City, State, Zip

Telephone - Home ()

Telephone - Other ()

SECTION 2: STUDENT INFORMATION

Before answering any questions, carefully read the entire form, including the instructions and other information on the following page. If you are a parent applying for discharge of a PLUS loan, begin with Question 1; if you are a student, begin with Question 3.

1. Student's name (last, first, middle initial):

2. Student's SSN: --

3. Name / address (street, city, state, zip) of school:

4. Dates of attendance: From -- To --

5. Name of the program of study that you (or, for PLUS borrowers, the student) were enrolled in:

6. Did you (or, for PLUS borrowers, the student) have a high school diploma or GED at the time you or the student enrolled at the school?

☐ Yes ☐ No

7. Did you (or, for PLUS borrowers, the student) receive a GED before completing the program of study at the school?

☐ Yes Date: -- ☐ No

8. Before you (or, for PLUS borrowers, the student) were admitted to the school, did the school give any kind of entrance examination to test the ability of you (or, for PLUS borrowers, the student) to benefit from the program of study listed in Question 5?

☐ Yes ☐ No ☐ Don't Know If No or Don't Know, go to Question 9.

Give the date of the test if you know it: --

Give the name of the test if you know it:

Give the score on the test if you know it:

Did anything appear improper about the way the test was given or scored? ☐ Yes ☐ No ☐ Don't Know

If Yes, explain your answer in detail, and provide the name, telephone number and address of anyone who can support your statement:

9. Did you (or, for PLUS borrowers, the student) complete a developmental or remedial program at the school?

☐ Yes ☐ No ☐ Don't Know If Yes, describe the program:

10. Did you (or, for PLUS borrowers, the student) complete the program of study at the school?

☐ Yes Date completed: -- If Yes, answer Questions 11 and 12. ☐ No If No, skip to Question 12.

Answer Question 11 only if you (or, for PLUS borrowers, the student) completed the program of study at the school.

11. Did you (or, for PLUS borrowers, the student) look for a job in the occupation for which you (or, for PLUS borrowers, the student) were trained by the school? ☐ Yes ☐ No If Yes, describe the efforts that you or the student made to find a job:

12. After leaving the school, did you (or, for PLUS borrowers, the student) get a job in the occupation for which you (or, for PLUS borrowers, the student) were trained by the school? ☐ Yes ☐ No If No, go to Question 13

If you (or, for PLUS borrowers, the student) obtained a job in the occupation for which the school provided training, was any further education or training required before you (or, for PLUS borrowers, the student) got the job? ☐ Yes ☐ No

If Yes, explain where and when you (or, for PLUS borrowers, the student) received the additional education or training:

13. Did you (or, for PLUS borrowers, the student) receive any money from the school? ☐ Yes ☐ No ☐ Don't Know

If Yes, give the amount and explain:

14. Did the holder of your loan receive any money from the school on your behalf? ☐ Yes ☐ No ☐ Don't Know

If Yes, give the amount and explain:

15. Did you (or, for PLUS borrowers, the student) make any monetary claim with or receive any payment from the school or any third party in connection with enrollment or attendance at the school? ☐ Yes ☐ No ☐ Don't know If Yes, provide the following information:

Name/address/telephone number of party with whom claim was made or from whom payment was received:

Amount/status of claim:

Amount of payment received: \$
(Write 'none' if no payment was received.)

SECTION 3: BORROWER CERTIFICATION

My signature below certifies that I have read and agree to the terms and conditions that apply to this loan discharge, as specified in Section 6 on the following page. Under penalty of perjury, I certify that all of the information I have provided on this form and in any accompanying documentation is true and accurate to the best of my knowledge and belief.

Borrower's Signature:

Date:

SECTION 4: INSTRUCTIONS FOR COMPLETING THE FORM

Type or print using dark ink. For all dates, give month, day (if known), and year. Show dates as MM-DD-YYYY (for example, 'January 1, 1999' = '01-01-1999'). If you need more space to answer any of the questions, continue on separate sheets of paper attached to this form. Indicate the number of the question(s) you are answering and include your name and social security number (SSN) on all attached pages.

Return the completed form and any attachments to the address shown in Section 8 at the bottom of this page.

SECTION 5: DEFINITIONS

- **The Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans (both subsidized and unsubsidized), Federal Supplemental Loans for Students (SLS), Federal PLUS Loans, and Federal Consolidation Loans.
- **The William D. Ford Federal Direct Loan (Direct Loan) Program** includes Federal Direct Stafford/Ford Loans (Direct Subsidized Loans), Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans), Federal Direct PLUS Loans (Direct PLUS Loans), and Federal Direct Consolidation Loans (Direct Consolidation Loans).
- **The holder** of a borrower's FFEL Program loan(s) may be a lender, a guaranty agency, or the U.S. Department of Education (the Department). The holder of a borrower's Direct Loan Program loan(s) is the Department.
- **Loan discharge** due to false certification of ability to benefit cancels the obligation of a borrower (and endorser, if applicable) to repay the remaining outstanding principal, accrued interest, collection costs, and late fees on a FFEL Program or Direct Loan Program loan, and qualifies the borrower for reimbursement of any amounts paid voluntarily or through forced collection on the loan. A loan discharge is also reported to credit bureaus to remove any adverse credit history associated with the loan.
- **The student** refers to the student for whom a parent borrower obtained a Federal PLUS Loan or Direct PLUS Loan.
- **Program of study** means the instructional program leading to a degree or certificate in which you or the student were enrolled.

SECTION 6: TERMS AND CONDITIONS FOR LOAN DISCHARGE BASED ON FALSE CERTIFICATION OF ABILITY TO BENEFIT

- I received FFEL Program or Direct Loan Program loan funds on or after January 1, 1986, to attend (or, if I am a PLUS borrower, for the student to attend) the school identified in Section 2 of this form. Those funds were either received by me directly, or applied as a credit to the amount owed to the school.
- I will provide, upon request, testimony, a sworn statement, or other documentation reasonably available to me that demonstrates to the satisfaction of the Department or its designee that I meet the qualifications for loan discharge based on false certification of ability to benefit, or that supports any representation that I made on this form or on any accompanying documents.
- I agree to cooperate with the Department or its designee regarding any enforcement actions related to my request for loan discharge.
- I understand that my request for loan discharge may be denied, or my discharge may be revoked, if I fail to provide testimony, a sworn statement, or documentation upon request, or if I provide testimony, a sworn statement, or documentation that does not support the material representations I have made on this form or on any accompanying documents.
- I further understand that if my loan(s) is discharged based on any false, fictitious, or fraudulent statements that I knowingly made on this form or on any accompanying documents, I may be subject to civil and criminal penalties under applicable federal law.
- I hereby assign and transfer to the Department any right to a refund on the discharged loan(s) that I may have from the school identified in Section 2 of this form and/or any owners, affiliates, or assigns of the school, and from any party that may pay claims for a refund because of the actions of the school, up to the amounts discharged by the Department on my loan(s).

SECTION 7: IMPORTANT NOTICES

Privacy Act Disclosure Notice

The Privacy Act of 1974 (5 U.S.C. 552a) requires that we disclose to you the following information:

The authorities for collecting this information are §428(b)(2)(A) et seq. and §451 et seq. of the Higher Education Act of 1965, as amended (the HEA) (20 U.S.C. §1078(b)(2)(a) et seq., §1087a et seq.). The principal purpose for collecting this information is to determine whether you are eligible for a discharge of your loan(s) under the Federal Family Education Loan (FFEL) Program and/or the William D. Ford Federal Direct Loan (Direct Loan) Program.

We ask that you provide the information requested on this loan discharge form on a voluntary basis. However, you must provide all of the requested information so that the holder(s) of your loan(s) can determine whether you qualify for a loan discharge.

The information in your file may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called "Title IV Program Files" (originally published on April 12, 1994, Federal Register, Vol. 59, p. 17351) and "National Student Loan Data System" (originally published on December 20, 1994, Federal Register, Vol. 59, p. 65532). Thus, this information may be disclosed to parties that we authorize to assist us in administering the federal student aid programs, including contractors that are required to maintain safeguards under the Privacy Act. Disclosures may also be made for verification of information, determination of eligibility, enforcement of conditions of the loan or grant, debt collection, and the prevention of fraud, waste, and abuse and these disclosures may be made through computer matching programs with other federal agencies. Disclosures may be made to determine the feasibility of entering into computer matching agreements. We may send information to members of Congress if you ask them in writing to help you with federal student aid questions. If we are involved in litigation, we may send information to the Department of Justice (DOJ), a court, adjudicative body, counsel, or witness if the disclosure is related to financial aid and certain other conditions are met. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for consideration of action and we may disclose to DOJ to get its advice related to the Title IV, HEA programs or questions under the Freedom of Information Act. Disclosures may be made to qualified researchers under Privacy Act safeguards. In some circumstances involving employment decisions, grievances, or complaints or involving decisions regarding the letting of a contract or making of a grant, license, or other benefit, we may send information to an appropriate authority. In limited circumstances, we may disclose to a federal labor organization recognized under 5 U.S.C. Chapter 71.

Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but §484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) provides that, in order to receive any grant, loan, or work assistance under Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.

Paperwork Reduction Notice

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1840-0707. The time required to complete this information collection is estimated to average 0.5 hours (30 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, DC 20202-4651

If you have any comments or concerns regarding the status of your individual submission of this form, write directly to the address shown below.

SECTION 8: WHERE TO SEND THE COMPLETED LOAN DISCHARGE APPLICATION

RETURN THE COMPLETED LOAN DISCHARGE APPLICATION AND ANY ATTACHMENTS TO:
(IF NO ADDRESS IS SHOWN, RETURN TO YOUR LOAN HOLDER)

IF YOU NEED HELP COMPLETING THIS FORM,
CALL:

LOAN DISCHARGE APPLICATION: FALSE CERTIFICATION (DISQUALIFYING STATUS)

OMB No. 1840-0707
Form Approved
Exp. Date 01/31/2002

Federal Family Education Loan Program / William D. Ford Federal Direct Loan Program

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying documents shall be subject to penalties which may include fines, imprisonment or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

SECTION 1: BORROWER IDENTIFICATION

If information has been preprinted but is incorrect, please correct and check this box: ☐ If any of the items below were not preprinted, please provide the requested information.

SSN --

Name

Address

City, State, Zip

Telephone - Home ()

Telephone - Other ()

SECTION 2: STUDENT INFORMATION

Before answering any questions, carefully read the entire form, including the instructions and other information on the following page. If you are a parent applying for discharge of a PLUS loan, begin with Question 1; if you are a student, begin with Question 3.

1. Student's name (last, first, middle initial):

2. Student's SSN: --

3. Name of school:

4. School's address (street, city, state, zip):

5. Dates of attendance: From -- To --

6. Name of the program of study that you (or, for PLUS borrowers, the student) were enrolled in when the school certified or originated the loan that you are applying to have discharged:

7. To qualify for a loan discharge based on false certification due to a disqualifying status, at the time the school certified or originated your loan you (or, for PLUS borrowers, the student) must have been unable to meet **the legal requirements for employment** in your state of residence (or, for PLUS borrowers, in the student's state of residence) in the occupation for which the program of study was intended because of age (upon completion of the training), a physical or mental condition, criminal record, or other reason. Indicate your disqualifying status by checking the appropriate box(es) below:
☐ Age ☐ Physical condition ☐ Mental condition ☐ Criminal record ☐ Other

Provide as much information as possible about the state **legal requirement for employment** that you (or, for PLUS borrowers, the student) could not meet; you must include the name and/or section number of the specific state law or regulation, or attach a copy of the law or regulation (you may obtain a copy from the appropriate state agency, such as the consumer protection office or department of labor and employment, or from a public library). Also provide documentation which proves that you (or, for PLUS borrowers, the student) had the disqualifying status at the time of loan certification/origination:

8. Did the school ask you (or, for PLUS borrowers, the student) if the disqualifying status explained in Question 7 existed before the loan was certified / originated?
☐ Yes ☐ No ☐ Don't Know

If Yes, did you (or, for PLUS borrowers, the student) inform the school of the disqualifying status before the loan was certified / originated?
☐ Yes ☐ No

9. Did you (or, for PLUS borrowers, the student) receive any money from the school? ☐ Yes ☐ No ☐ Don't Know
 If Yes, give the amount and explain:

10. Did the holder of your loan receive any money from the school on your behalf? ☐ Yes ☐ No ☐ Don't Know
 If Yes, give the amount and explain:

11. Did you (or, for PLUS borrowers, the student) make any monetary claim with, or receive any payment from, the school or any third party in connection with enrollment or attendance at the school? ☐ Yes ☐ No ☐ Don't Know

If Yes, give the name, address, and telephone number of the party with whom the claim was made or from whom payment was received, the amount and status of the claim (if applicable), and the amount of any payment received.

Name/address/telephone number:

Amount/status of claim:

Amount of payment received: \$
(Write 'none' if no payment was received.)

SECTION 3: BORROWER CERTIFICATION

My signature below certifies that I have read and agree to the terms and conditions that apply to this loan discharge, as specified in Section 6 on the following page. Under penalty of perjury, I certify that all of the information I have provided on this form and in any accompanying documentation is true and accurate to the best of my knowledge and belief.

Borrower's Signature:

Date:

SECTION 4: INSTRUCTIONS FOR COMPLETING THE FORM

Type or print using dark ink. For all dates, give month, day (if known), and year. Show dates as MM-DD-YYYY (for example, 'January 1, 1999' = '01-01-1999'). If you need more space to answer any of the questions, continue on separate sheets of paper attached to this form. Indicate the number of the question(s) you are answering and include your name and social security number (SSN) on all attached pages.

Return the completed form and any attachments to the address shown in Section 8 at the bottom of this page.

SECTION 5: DEFINITIONS

- The **William D. Ford Federal Direct Loan (Direct Loan) Program** includes Federal Direct Stafford/Ford Loans (Direct Subsidized Loans), Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans), Federal Direct PLUS Loans (Direct PLUS Loans), and Federal Direct Consolidation Loans (Direct Consolidation Loans).
- The **Federal Family Education Loan (FFEL) Program** includes Federal Subsidized and Unsubsidized Stafford Loans, Federal Supplemental Loans for Students (SLS), Federal PLUS Loans, and Federal Consolidation Loans.
- The **holder** of a borrower's Direct Loan Program loan(s) is the U.S. Department of Education (the Department). The holder of a borrower's FFEL Program loan(s) may be a lender, a guaranty agency, or the Department.
- **Loan discharge** due to false certification (disqualifying status) cancels the obligation of a borrower (and endorser, if applicable) to repay the remaining outstanding principal, accrued interest, collection costs, and late fees on a Direct Loan Program or FFEL Program loan, and qualifies the borrower for reimbursement of any amounts paid voluntarily or through forced collection on the loan. A loan discharge is also reported to credit bureaus to remove any adverse credit history associated with the loan.
- The **student** refers to the student for whom a parent borrower obtained a Direct PLUS Loan or Federal PLUS loan.
- **Program of study** means the instructional program leading to a degree or certificate in which you or the student were enrolled.
- **Certification and origination** are steps in a school's processing of a loan. In the FFEL Program, a loan is **certified** when a school signs a loan application after determining that the borrower meets all loan eligibility requirements. In the Direct Loan Program, a loan is **originated** when a school creates an electronic loan origination record after determining that the borrower meets all loan eligibility requirements.

SECTION 6: TERMS AND CONDITIONS FOR LOAN DISCHARGE BASED ON FALSE CERTIFICATION (DISQUALIFYING STATUS)

- I received Direct Loan or FFEL Program loan funds on or after January 1, 1986, to attend (or, if I am a PLUS borrower, for the student to attend) the school identified in Section 2 of this form. Those funds were either received by me directly, or applied as a credit to the amount owed to the school.
- I will provide, upon request, testimony, a sworn statement, or other documentation reasonably available to me that demonstrates to the satisfaction of the Department or its designee that I meet the qualifications for loan discharge based on false certification (disqualifying status), or that supports any representation that I made on this form or on any accompanying documents.
- I agree to cooperate with the Department or its designee regarding any enforcement actions related to my request for loan discharge.
- I understand that my request for loan discharge may be denied, or my discharge may be revoked, if I fail to provide testimony, a sworn statement, or documentation upon request, or if I provide testimony, a sworn statement, or documentation that does not support the material representations I have made on this form or on any accompanying documents.
- I further understand that if my loan(s) is discharged based on any false, fictitious, or fraudulent statements that I knowingly made on this form or on any accompanying documents, I may be subject to civil and criminal penalties under applicable federal law.
- I hereby assign and transfer to the Department any right to a refund on the discharged loan(s) that I may have from the school identified in Section 2 of this form and/or any owners, affiliates, or assigns of the school, and from any party that may pay claims for a refund because of the actions of the school, up to the amounts discharged by the Department on my loan(s).

SECTION 7: IMPORTANT NOTICES

Privacy Act Disclosure Notice

The Privacy Act of 1974 (5 U.S.C. 552a) requires that we disclose to you the following information:

The authorities for collecting this information are §428(b)(2)(A) et seq. and §451 et seq. of the Higher Education Act of 1965, as amended (the HEA) (20 U.S.C. §1078(b)(2)(A) et seq. and §1087a et seq.). The principal purpose for collecting this information is to determine whether you are eligible for a discharge of your loan(s) under the William D. Ford Federal Direct Loan (Direct Loan) Program and/or the Federal Family Education Loan (FFEL) Program.

We ask that you provide the information requested on this loan discharge form on a voluntary basis. However, you must provide all of the requested information so that the holder(s) of your loan(s) can determine whether you qualify for a loan discharge.

The information in your file may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called "Title IV Program Files" (originally published on April 12, 1994, Federal Register, Vol. 59, p. 17351) and "National Student Loan Data System" (originally published on December 20, 1994, Federal Register, Vol. 59, p. 65532). Thus, this information may be disclosed to parties that we authorize to assist us in administering the federal student aid programs, including contractors that are required to maintain safeguards under the Privacy Act. Disclosures may also be made for verification of information, determination of eligibility, enforcement of conditions of the loan or grant, debt collection, and the prevention of fraud, waste, and abuse and these disclosures may be made through computer matching programs with other federal agencies. Disclosures may be made to determine the feasibility of entering into computer matching agreements. We may send information to members of Congress if you ask them in writing to help you with federal student aid questions. If we are involved in litigation, we may send information to the Department of Justice (DOJ), a court, adjudicative body, counsel, or witness if the disclosure is related to financial aid and certain other conditions are met. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for consideration of action and we may disclose to DOJ to get its advice related to the Title IV, HEA programs or questions under the Freedom of Information Act. Disclosures may be made to qualified researchers under Privacy Act safeguards. In some circumstances involving employment decisions, grievances, or complaints or involving decisions regarding the letting of a contract or making of a grant, license, or other benefit, we may send information to an appropriate authority. In limited circumstances, we may disclose to a federal labor organization recognized under 5 U.S.C. Chapter 71.

Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but §484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) provides that, in order to receive any grant, loan, or work assistance under Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.

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(IF NO ADDRESS IS SHOWN, RETURN TO YOUR LOAN HOLDER)

IF YOU NEED HELP COMPLETING THIS FORM,
CALL:

LOAN DISCHARGE APPLICATION: UNAUTHORIZED SIGNATURE / UNAUTHORIZED PAYMENT

OMB No. 1840-0707
Form Approved
Exp. Date 01/31/2002

Federal Family Education Loan Program / William D. Ford Federal Direct Loan Program

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying documents shall be subject to penalties which may include fines, imprisonment or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

SECTION 1: BORROWER IDENTIFICATION

If information has been preprinted but is incorrect, please correct and check this box: ☐ If any of the items below were not preprinted, please provide the requested information.

SSN --

Name

Address

City, State, Zip

Telephone - Home ()

Telephone - Other ()

SECTION 2: STUDENT INFORMATION

Before answering any questions, carefully read the entire form, including the instructions and other information on the following page. If you are a parent applying for discharge of a PLUS loan, begin with Question 1; if you are a student, begin with Question 3.

1. Student's name (last, first, middle initial):

2. Student's SSN: --

3. Name of school:

4. School's address (street, city, state, zip):

5. Dates of attendance: From -- To -- ☐ Did not attend

6. Did you sign the application, promissory note, or combined application/promissory note for your loan(s)? ☐ Yes ☐ No

If No, on which document(s) did someone else sign your name? ☐ Application ☐ Promissory note ☐ Combined application/promissory note

7. Did you endorse each loan check or sign your name on each electronic funds transfer authorization or master check authorization?

☐ Yes ☐ No If No, on which document(s) did someone else sign your name?

☐ loan check ☐ electronic funds transfer authorization ☐ master check authorization

If No, did you (or, for PLUS borrowers, the student) ever receive any money from the school, or did the school ever reduce the amount of money that you (or, for PLUS borrowers, the student) owed to the school?

☐ Yes Explain dates, amounts and circumstances:

☐ No ☐ Don't Know

8. If you answered No to Question 6 or Question 7, do you know who signed your name on the document(s) checked above?

☐ Yes Explain in detail:

School employee or representative (enter name and position, if known):

Other person (enter name, if known):

☐ No

IMPORTANT:

If you did not sign your name on one of the documents listed in Question 6 or Question 7, you must attach documents containing four other samples of your signature in addition to the signature on this application. At least two of these samples must clearly show that your signatures were written within one year before or after the date of the document on which someone else signed your name. Examples of documents that would include both a signature sample and the date that the signature was written include—but are not limited to—cancelled checks, tax returns, and driver's licenses. If you do not provide the required signature samples, you will not be eligible for a loan discharge.

9. Explain how you (or, for PLUS borrowers, the student) paid the tuition and fees owed to the school:

10. Did you (or, for PLUS borrowers, the student) receive any money from the school? ☐ Yes ☐ No ☐ Don't Know

If Yes, give the amount and explain:

11. Did the holder of your loan receive any money from the school on your behalf? ☐ Yes ☐ No ☐ Don't Know

If Yes, give the amount and explain:

12. Did you (or, for PLUS borrowers, the student) make any monetary claim with, or receive any payment from, the school or any third party in connection with enrollment or attendance at the school? ☐ Yes ☐ No ☐ Don't Know

If Yes, give the name, address, and telephone number of the party with whom the claim was made or from whom payment was received, the amount and status of the claim (if applicable), and the amount of any payment received.

Name/address/telephone number:

Amount/status of claim:

Amount of payment received: \$
(Write 'none' if no payment was received.)

SECTION 3: BORROWER CERTIFICATION

My signature below certifies that I have read and agree to the terms and conditions that apply to this loan discharge, as specified in Section 6 on the following page. Under penalty of perjury, I certify that all of the information I have provided on this form and in any accompanying documentation is true and accurate to the best of my knowledge and belief.

Borrower's Signature:

Date:

SECTION 4: INSTRUCTIONS FOR COMPLETING THE FORM

Type or print using dark ink. For all dates, give month, day (if known), and year. Show dates as MM-DD-YYYY (for example, 'January 1, 1999' = '01-01-1999'). If you need more space to answer any of the questions, continue on separate sheets of paper attached to this form. Indicate the number of the question(s) you are answering and include your name and social security number (SSN) on all attached pages.

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SECTION 5: DEFINITIONS

- The William D. Ford Federal Direct Loan (Direct Loan) Program includes Federal Direct Stafford/Ford Loans (Direct Subsidized Loans), Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans), Federal Direct PLUS Loans (Direct PLUS Loans), and Federal Direct Consolidation Loans (Direct Consolidation Loans).
- The Federal Family Education Loan (FFEL) Program includes Federal Subsidized and Unsubsidized Stafford Loans, Federal Supplemental Loans for Students (SLS), Federal PLUS Loans, and Federal Consolidation Loans.
- The holder of a borrower's Direct Loan Program loan(s) is the U.S. Department of Education (the Department). The holder of a borrower's FFEL Program loan(s) may be a lender, a guaranty agency, or the Department.
- Loan discharge due to an unauthorized signature on a loan application or promissory note cancels the obligation of a borrower (and endorser, if applicable) to repay the remaining outstanding principal, accrued interest, collection costs, and late fees on the entire loan, and qualifies the borrower for reimbursement of any amounts paid voluntarily or through forced collection on the loan. Discharge due to an unauthorized signature on a loan check or electronic funds transfer authorization applies only to the amount of the unauthorized payment. A loan discharge is also reported to credit bureaus to remove any adverse credit history associated with the loan.
- The student refers to the student for whom a parent borrower obtained a Direct PLUS Loan or Federal PLUS loan.

SECTION 6: TERMS AND CONDITIONS FOR LOAN DISCHARGE BASED ON UNAUTHORIZED SIGNATURE / UNAUTHORIZED PAYMENT

- The school identified in Section 2 of this form received Direct Loan Program or FFEL Program loan funds on or after January 1, 1986 for me to attend (or, if I am a PLUS borrower, for the student to attend) the school. I am applying for a discharge of my Direct Loan Program or FFEL Program loan(s) because the loan application, promissory note, combined application/promissory note, loan disbursement check, electronic funds transfer authorization, or master check authorization were not authorized for the reasons stated in this application.
- I will provide, upon request, testimony, a sworn statement, or other documentation reasonably available to me that demonstrates to the satisfaction of the Department or its designee that I meet the qualifications for loan discharge based on unauthorized signature / unauthorized payment, or that supports any representation that I made on this form or on any accompanying documents.
- I agree to cooperate with the Department or its designee regarding any enforcement actions related to my request for loan discharge.
- I understand that my request for loan discharge may be denied, or my discharge may be revoked, if I fail to provide testimony, a sworn statement, or documentation upon request, or if I provide testimony, a sworn statement, or documentation that does not support the material representations I have made on this form or on any accompanying documents.
- I further understand that if my loan(s) is discharged based on any false, fictitious, or fraudulent statements that I knowingly made on this form or on any accompanying documents, I may be subject to civil and criminal penalties under applicable federal law.
- I hereby assign and transfer to the Department any right to a refund on the discharged loan(s) that I may have from the school identified in Section 2 of this form and/or any owners, affiliates, or assigns of the school, and from any party that may pay claims for a refund because of the actions of the school, up to the amounts discharged by the Department on my loan(s).

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Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but §484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) provides that, in order to receive any grant, loan, or work assistance under Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.

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(IF NO ADDRESS IS SHOWN, RETURN TO YOUR LOAN HOLDER)

IF YOU NEED HELP COMPLETING THIS FORM,
CALL:

SPECIALTY CLAIMS

Closed school and false certification claims must be filed by the 60th day following notification. However, if the claim is not filed timely, the Missouri Student Loan Program (MSLP) will pay the claim with no more than 60 days of interest.

If the claim is returned, the MSLP will pay no more than 30 days of interest from the lender's receipt date. The lender has no timely filing deadline for resubmitting the claim.

Example

Closed school notification:	06/20/95
Claim-filed date:	07/01/95
Returned claim received:	07/28/95
Claim resubmitted:	09/12/95
Claim-paid date:	10/13/95

In this case, the MSLP would pay accrued interest through July 1, 1995 **plus** interest accrued from July 1, 1995 through July 28, 1995 **plus** 30 return days (the lender will not be paid for interest accrued August 27, 1995 through September 12, 1995 **plus** interest accrued from September 12, 1995 through October 1, 1995).

BANKRUPTCY CLAIM

Lenders are required to file bankruptcy claims with the Missouri Student Loan Program (MSLP) in the following instances:

- A borrower files a Chapter 12 or Chapter 13 bankruptcy. The claim must be filed within 30 days of the date the lender receives notice of the first meeting of creditors.
- A borrower files a petition for undue hardship under any chapter. The claim must be filed within 15 days of the date the lender receives the notification of a hardship petition.

☛ Higher Education Amendments of 1998

A borrower who files for bankruptcy under Chapter 7 or Chapter 11 bankruptcy is no longer eligible for discharge of his or her Federal Family Education Loan (FFEL) Program loan if the borrower has been in repayment for more than seven years. Lenders must not file bankruptcy claims with the MSLP under these circumstances. After receiving notice of the borrower's filing, the lender should suspend collection through a notification of discharge and grant an administrative forbearance for that period.

Always send bankruptcy claims to the MSLP, not to Guarantec.

Suspension of Collection Activity/Informal Notice

Although a claim must be filed based on receipt of a notice of the first meeting of creditors or other confirming documentation from the bankruptcy court, *the MSLP has adopted the following policy for suspension of collection activity.*

The U.S. Department of Education (USDE) has issued private guidance stating that lenders may suspend collection activity upon receiving informal notice, such as a letter or telephone call from the borrower or from the borrower's attorney, indicating that the borrower has filed bankruptcy. The lender is not required to wait for formal notification from the bankruptcy court before suspending collection activity. However, upon receiving informal notice of the bankruptcy, the lender is required to make prompt, diligent efforts to obtain documentation from the bankruptcy court confirming that the borrower has filed for bankruptcy. If the lender is unable to obtain such documentation within 30 days after receiving the initial notice from the borrower or attorney, the lender must resume the suspended collection activities.

ALL OTHER CLAIMS

All other claims must be filed within 60 days of the date the lender receives documentation of a death, disability, or eligibility for a closed school or false certification discharge. The MSLP will not pay interest on such "specialty claims" beyond the 60th day.

LOAN FORGIVENESS PROGRAMS

☛ *Higher Education Amendments of 1998*

Loan Forgiveness Program for Teachers

To be eligible, a borrower must meet the following criteria:

- The borrower must be a new Federal Stafford Loan borrower on or after October 1, 1998.
- The borrower must have been employed as a full-time teacher for five consecutive, complete academic years in a school that qualifies under Higher Education Act of 1965, as amended, (HEA) Section 465(a)(2)(A) for loan cancellation under the Federal Perkins Loan Program.
- If the borrower is teaching in a public or nonprofit private secondary school, the borrower must be teaching a subject that is relevant to the borrower's academic major as certified by the chief administrative officer of the secondary school in which the borrower is employed.
- If the borrower is teaching in a public or nonprofit private elementary school, the borrower must be certified by the chief administrative officer of the elementary school in which the borrower is employed as having demonstrated knowledge and teaching skills in reading, writing, mathematics and other areas of the school's curriculum.
- The borrower must not be in default on a loan for which forgiveness is sought.

The U.S. Department of Education (USDE) will pay a lender not more than \$5,000 of the eligible borrower's aggregate loan amount outstanding at the end of the fifth complete year of teaching.

Eligible loans are:

- Federal Stafford Loans
- Federal Direct Stafford Loans
- The portions of a Federal Consolidation Loan used to repay Federal Stafford Loans or Federal Direct Stafford Loans

Details concerning the loan forgiveness program for teachers may be obtained from HEA Section 428J. Regulations implementing the teacher forgiveness program are pending.

Loan Forgiveness Demonstration Program for Child Care Providers

To be eligible, the borrower must meet the following criteria:

- The borrower must be a new Federal Stafford Loan borrower after October 7, 1998.
- The borrower must complete an associate or bachelor's degree in early childhood education, which is defined as education in the areas of:

- Early child education
 - Child care
 - Other educational areas related to child care that the USDE determines to be appropriate
- The borrower must obtain employment in a child care facility. A child care facility is defined as a facility, including a home, that provides child care services and meets the applicable state or local government licensing, certification, approval, or registration requirements, if any.
 - The borrower must work full-time as a child care provider in a low-income community for two consecutive years preceding the year for which the determination is made.
 - Low-income community – a community in which 70 percent of the households within the community earn less than 85 percent of the state’s median household income.
 - If an individual who is not participating in this program and who previously graduated from an institution of higher education returns to school to obtain an associate or bachelor’s degree in early childhood education, the student may apply to the USDE for repayment of qualified loans under this forgiveness program.

Eligible loans are:

- Federal Stafford Loans
- Federal Direct Stafford Loans

The USDE will pay the borrower’s combined Federal Stafford Loan balance (either Federal Family Education Loan (FFEL) Program, Federal Direct Loan Program, or both) at the end of the borrower’s eligible employment on a first-come, first-served basis, subject to the availability of funds. The maximum amount paid on behalf of the eligible borrower is determined as follows:

- 20 percent of the total amount of all eligible loans, after completion of the second consecutive year of eligible employment
- 20 percent of the total amount of all eligible loans, after completion of the third consecutive year
- 30 percent of the total amount of all eligible loans, after completion of the fourth consecutive year
- 30 percent of the total amount of all eligible loans, after completion of the fifth consecutive year

A proportionate amount of the interest that accrues on the portion of the loan repaid for the year will also be paid by the USDE. Refunding of repayment made on qualifying loans is not authorized.

Priorities will be given to borrowers who received forgiveness in the prior year. During the period of eligible employment, a borrower shall receive forbearance, unless the borrower qualifies for deferment.

Details concerning the loan forgiveness demonstration program for child care providers may be obtained from HEA Section 428K. Regulations implementing this program are pending.

CLAIM SUBMISSION CHECKLIST

All Loans

- _____ Form 10 (each applicable item completed)
- _____ Original Application or Guaranteed Student Loan Transmittal Form (LTF) or certified copy
- _____ Promissory Note (if separate from application)
- _____ Promissory Note Addendum (for LTF's or corrections)
- _____ Evidence of Disbursement (records for each disbursement or Electronic Funds Transfer Authorization)
- _____ Assignment of Promissory Note
- _____ Verification of less than half-time date
- _____ * Notice of Loan Guarantee may be maintained in electronic format; paper form is not mandatory for claim submission. However, the Notice of Loan Guarantee must be available for review if required.

Repayment Loans

- _____ Repayment Schedule
- _____ Repayment Schedule Addendum (for PLUS & SLS)
- _____ Payment History
- _____ Collection Activity Summary
- _____ Deferment Forms
- _____ Forbearance Forms
- _____ Copies of Due Diligence Letters (if not specifically approved by the Missouri Student Loan Program (MSLP) to document the servicing history)
- _____ Due Diligence Phone Log

Death Claims

- _____ Certified Death Certificate

Permanent & Total Disability Claims

- _____ Physician Certification

If Applicable

- _____ Promissory Note Addendum (guaranteed 8/23/81 to 8/2/82)
- _____ Holder Assignment
- _____ Borrower Rights and Responsibilities (guaranteed 1/28/81 to 2/1/82)
- _____ Bankruptcy Documents
- _____ Reinstatement of Guarantee Statement
- _____ Skiptracing Activity Documentation
- _____ Explanation of Any Exceptions to the Required Documents
- _____ Any Additional Correspondence with the Borrower or School
- _____ 5.5% Origination Fee Addendum (disbursed 3/86 to 9/86)
- _____ 5.5% Origination Fee Rebate (disbursed 10/1/87 to 1/4/88)
- _____ Windfall Loan Conversion Certification Form

Bankruptcy Claims

- _____ Notice of First Meeting of Creditors
- _____ Proof of Claim
- _____ Assignment of Proof of Claim